

**South Dakota Risk Pool Governing Board and Advisory Panel Meeting
Capitol Lake Plaza, 711 E Wells Ave, Room 240
Thursday May 8, 2008, 10 AM**

The South Dakota Risk Pool Governing Board and Advisory Panel met on Thursday, May 8, 2008 at 10:00 AM in the Capitol Lake Plaza large conference room, Pierre, South Dakota.

The Meeting began with a short welcome from Chairperson Kathi Mueller and an introduction of those in attendance. Governing Board members in attendance were Co-chairperson Tom Martinec, Dave Hewett, Randy Moses, Dennis Studer, and Larry Iversen. Advisory Panel members in attendance were Dr. Mary Carpenter, Bob Clark, Senator Jason Gant, Lonnie McKittrick, Mike Shaw, Cheryl Stone, and Rick Stracqualursi. Others in attendance were Sandy Zinter, Jill Kruger, Melissa Kusser, Kamala Kittle, and Ryan Bohy representing Sanford.

The first item on the agenda was the approval of the minutes from the April 02, 2008 meeting. Moses motioned to approve the minutes and Martinec seconded. The motion passed unanimously. Iversen clarified the question in the minutes regarding the Medicaid 3% increase. He explained the increase would go into effect on July 1, 2008 for all areas except DRG hospitals and those increases would go into effect October 1, 2008

Administrator's Report

Kruger provided an update on the development of the new website. She indicated the website was in the developmental stage and would be available to the public shortly. The cost to the Risk Pool will be minimal as the website development work was done by BIT and the current content of the Risk Pool website was being transferred to the new state agency design. The new website will be located at riskpool.sd.gov.

Old Business

Kusser gave an update on the federal grant application. The application is to be submitted electronically by June 9th. The pool will be applying for approximately \$2.5 million based on operational losses. At the April Risk Pool meeting, the Governing Board discussed providing immunizations and colonoscopies to the Risk Pool members. The funding for the benefit expansion will be requested through the federal grant. The cost for immunization benefit was actuarially determined by Oliver Wyman at \$25,000 for one year and approximately \$80,000 for three years, based on a 7.0% annual inflation rate. The cost for colonoscopy coverage was extrapolated from state employee data and estimated to be about \$40,000 for one year.

Studer began the discussion on plan document proposed changes by reviewed the immunization analysis completed by Oliver Wyman. Kruger provided the group with information and graphs

regarding the Centers for Disease Control (CDC) immunization recommendations. Discussion included concerns about funding the additional benefit if federal funds are not available and low utilization if immunizations were not covered at 100%. Moses motioned to have the SD Risk Pool provide immunizations at 100% coverage based on the CDC recommended schedule. Hewett seconded it. The motion passed unanimously.

The group discussed colonoscopy coverage. Issues discussed included: cost of the procedure, issues with coding, member's reluctance to have the screening completed, and covering other cancer screenings at a higher benefit level. Hewett motioned to cover cancer screening colonoscopies subject to deductible and coinsurance. Studer seconded. Additional discussion led to the first motion being withdrawn. Hewett made a second motion to cover cancer screening colonoscopies, including ancillary charges, at a 100% benefit level. Moses seconded. Motion carried. The group agreed additional charges based on a medical diagnosis are subject to deductible and coinsurance.

The next discussion concerned a plan change to require "Out of State Preauthorization" of services. Moses motioned to add language which would require all out of state care to be preauthorized except in the case of a medical emergency. Requests would be denied if the services could be safely and effectively provided in South Dakota. Studer seconded the motion. Motion carried. Martinec motioned to approve additional plan document changes which included website address and contact information updates. Hewett seconded. Motion carried.

Moses presented the Oliver Wyman FY09 premium rate recommendation. Chris Carlson of Oliver Wyman continues to make small adjustments to each age group. The average rate increase proposed was 13.3% with ranges of 1.8% to 19.6% in the gender and age bands. Hewett made a motion to accept the rates as proposed by Oliver Wyman. Martinec seconded. Motion passed unanimously.

New Business

Kusser briefed the group on the third round of SB 200 analysis. There were 71 potential individuals eligible for entrance into the Risk Pool. Of these 71 many of them have been offered entrance into the Risk Pool in rounds one or two. The group discussed offering coverage to all 71 but providing a different letter to those who have been contacted before. Hewett made a motion to extend the offer to all 71 individuals. Iversen seconded it. Motion passed.

At the April 2, 2008 meeting, Mueller directed a medical management subcommittee to be formed. The following members volunteered to assist: Rick Stracqualursi, Dr. Krafka, Janet Griffin, Dave Hewett, and Jean Reed. Studer agreed to act as the chairman for the medical services committee.

The Governing Board members and the Advisory group agreed it would be beneficial to arrange quarterly meetings for the next year. Planned meeting dates are: September 11th, December 11th, March 19th and May 7th.

At approximately noon, Hewett made a motion to adjourn the meeting. Studer seconded. Motion carried.

